

National Aeronautics and  
Space Administration  
**Office of the Administrator**  
Washington, DC 20546-0001



MAY 17 1996

TO: Officials-in-Charge of Headquarters Offices  
Directors, NASA Field Installations  
Director, Jet Propulsion Laboratory

FROM: A/Administrator

SUBJECT: Acquisition Reform: Single Process/Block Changes

New cost-savings opportunities are emerging in acquisition reform by partnering with the Department of Defense (DoD). The Single Process/Block Change initiative was conceived by the Government Industry Quality Liaison Panel, cochaired by the NASA Office of Safety and Mission Assurance, and was endorsed by the Secretary of Defense. The thrust of the initiative is to enable contractors to propose single processes that would meet the needs of multiple Government customers. This would eliminate duplicative contractor systems and processes imposed by each customer's requirements. This initiative is expected to reduce contractor costs, improve process efficiencies, reduce product costs, and improve product quality. It is a win-win proposition for the Government and contractors. It could yield high dividends for both NASA and DoD.

The Defense Contract Management Command (DCMC) is facilitating this initiative at each contractor facility by working with contractor and Government representatives in identifying potential single processes. NASA will cooperate with DCMC for the development and acceptance of single processes wherever possible. Once the principals agree to the single processes, DCMC is authorized to issue a contract modification implementing the block change to all affected contracts. This concept has proven to be very effective at several DoD reinvention laboratory sites. Significant operational improvements and cost reductions can be achieved by this initiative, including savings to the Government on current contracts.

To facilitate the partnership with DoD, I am designating the Office of the Chief Engineer as the Agency lead for this initiative. Enclosed are Implementation Guidelines to be used during the implementation process. I strongly encourage you to share my enthusiastic support of this initiative. If you have any contracts questions, call Kenneth A. Sateriale at 202-358-0491. Quality-systems-related questions should be addressed to Carl Schneider at 202-358-0913.

A handwritten signature in black ink, reading "Daniel S. Goldin". The signature is fluid and cursive, with the first name "Daniel" being the most prominent part.

Daniel S. Goldin

Enclosure

Officials-in-Charge of Headquarters Offices:

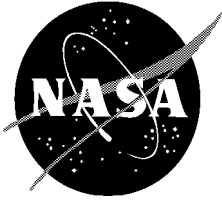
AI/Gen. Dailey  
AT/Mr. Mott  
AE/Dr. Mulville  
AO/Mr. West  
AS/Dr. Cordova  
B/Mr. Holz  
C/Mr. Christensen  
E/Mr. Reese (Acting)  
F/Gen. Armstrong  
G/Mr. Frankle  
H/Ms. Lee  
I/Mr. Schumacher  
J/Ms. Cooper  
K/Mr. Thomas  
L/Mr. Lawrence  
M/Mr. Trafton  
O/Dr. Lundy (Acting)  
P/Ms. Boeder  
Q/Mr. Gregory  
R/Dr. Whitehead  
S/Dr. Huntress  
U/Dr. Nicogossian (Acting)  
W/Ms. Gross  
X/Dr. Mansfield  
Y/Dr. Kennel  
Z/Mr. Ladwig

Directors, NASA Field Installations:

ARC/Dr. McDonald  
DFRC/Mr. Szalai  
GSFC/Mr. Rothenberg  
JSC/Mr. Abbey  
KSC/Mr. Honeycutt  
LaRC/Mr. Holloway  
LeRC/Mr. Campbell  
MSFC/Dr. Littles  
SSC/Mr. Estess

Director, Jet Propulsion Laboratory:

Dr. Stone



May 17, 1996

## **SINGLE PROCESS/BLOCK CHANGE IMPLEMENTATION GUIDELINES**

1. NASA's goal will be the elimination of unique processes/systems that are imposed on contractors shared with DoD or other Federal agencies, unless they are essential to ensure mission safety and reliability.
2. Each NASA Center Director will designate a focal point for implementing this initiative. The focal point is responsible for ensuring that all proposed block changes to Center acquisitions are considered and evaluated consistently. All contractor systems and processes are candidates for this initiative if efficiencies can be gained.
3. For each project/program, the cognizant NASA Contracting Officer (CO), with the Program Manager, will review each proposed block change for approval. No higher level of approval is necessary, unless the affected process is required by a NASA Management Instruction or the NASA FAR Supplement. CO approval, and any delegations deemed necessary, will be conveyed to the DCMC for their implementation within a contract block change. Any nonapproval must be reviewed by the Center Director.
4. Process improvements and resulting cost savings will be defined and quantified. NASA will receive consideration or share savings where savings are significant on NASA contracts.
5. Where numerous contract changes result from this initiative, they will be negotiated in a block change format.
6. Status reports will be provided by the Centers to the Office of Procurement, Analysis Division, on a quarterly basis. The report will describe the processes/systems changes made and cost savings anticipated.